



Layoff Aversion:

WIOA Requirements

NCWorks Partnership Conference
Greensboro, NC

Rapid Response defined (in the regs)

- Rapid Response:
 - encompasses the strategies and activities necessary to:
 - (1) Plan for and respond to as quickly as possible following an event described in § 682.302; and
 - (2) Deliver services to enable dislocated workers to transition to new employment as quickly as possible.
 - 682.300(a)

Purpose of Rapid Response

- The purpose of rapid response is to promote economic recovery and vitality by developing an ongoing, comprehensive approach to identifying, planning for, responding to layoffs and dislocations, and *preventing or minimizing their impacts* on workers, businesses, and communities
- 682.300(b)

Layoff aversion defined

- Layoff aversion consists of strategies and activities...to **prevent or minimize the duration of unemployment** resulting from layoffs.
- 682.320

The layoff aversion requirement

- What Rapid Response activities are required?:
 - Rapid response activities must include...layoff aversion activities as described in § 682.320, as applicable
- 682.330

Some layoff aversion examples

- Ongoing engagement, partnership, and relationship-building activities with businesses in the community;
- Providing assistance to businesses in managing reductions in force (including early identification of firms at risk, assessment of the needs of and options, and the delivery of solutions
- Funding feasibility studies;
- Developing and managing incumbent worker training programs or other worker up skilling approaches;
- Connecting companies to Short-time compensation or other programs
- Connecting to business loan programs and other resources
- Establishing linkages with economic development activities
- Partnering or contracting with business-focused organizations to assess risks to companies, propose strategies to address those risks, implement services,
- Conducting analyses of the suppliers of an affected company to assess their risks and vulnerabilities
- Proactively identifying opportunities for potential economic transition and training needs in growing industry sectors or expanding businesses
- Connecting businesses and workers to short-term, on-the-job, or customized training programs and apprenticeships



Business Services Business Edge Initiative

Snapshot of Businesses in Transition

Notices by Prosperity Zone

Southwest	31%
North Central	29%
Piedmont-Triad	9%
Southeast	9%

Human Capital

Southwest	34%
North Central	25%
Western	12%
Northwest	7%

Notices by Sector

Manufacturing	48%
Consultative Services	21%
Wholesale/Retail	10%
Finance	5%

- WARN data analysis 1/1/19 through 9/30/19
- 56 notices, 6,358 employees

Rapid Response

Business Solutions

- Help with employee offboarding
- Increase production
- Decrease absenteeism
- Increase employee morale
- Minimize employee disturbances

Onsite Services

- Employee information sessions
- Financial information
- Health Insurance information
- Customize workshops
- Mobile career classroom
- Targeted job fairs

Business Edge

- ▶ Funded through Rapid Response to help distressed businesses avert or prevent layoffs
- ▶ Led by the state and is a partnership with Workforce Development Boards, Small Business and Technology Development Center, NC State Industry Expansion Solutions as well as Certified Turnaround Professionals
- ▶ Goal is to help protect the solvency of the Unemployment Insurance Trust Fund by saving jobs



Business Edge Targets

- ▶ Businesses that have between 20 to 250 employees
- ▶ Privately held business or has local decision making authority
- ▶ No IRS tax liens
- ▶ Manufacturing sector
- ▶ Rural communities



Build an Early Warning Network

- ▶ Economic Development
- ▶ Chambers of Commerce
- ▶ SBTDC
- ▶ Community Colleges/Universities
- ▶ NC Rural Center
- ▶ Local Government
- ▶ NC Manufacturing Extension Partnership
- ▶ Society of Human Resources Management
- ▶ Other Key Stakeholders



Signs of Distress

- Physical surroundings need maintaining
- Old/outdated machinery
- Inability to pay bills on time
- Deteriorating facility
- Lack of signage
- Shortage of skilled workforce

Business Edge Referrals

Warmer Handoff

- Has an established trusted relationship with a business
- Business has confided that challenges or problems exist
- Business is ready for help

Cooler Handoff

- Lexis Nexis reports
- Must determine who has an established relationship with the business
- Recruit that individual
- Meet with the business to establish trust



Phase I Initial Assessment

- ▶ Business Services Representative and referral source meets with CEO/CFO
- ▶ Completes initial local assessment and early warning checklist



Phase II

Business Engagement

- ▶ Confidentiality agreements signed
- ▶ Business Services Representative & Layoff Aversion Specialist meets with CEO/CFO to take a deeper dive
- ▶ Determine the appropriate solutions provider



Business Solutions Providers



Workforce Development Boards

- Helps businesses find skilled employees
- Provides training solutions

NC State Industry Expansion Solutions

- Evaluation & assessment
- Operations
- Quality management

Small Business Technology & Development Center

- Business consultation
- Financial analysis
- Succession planning

Certified Turnaround Professionals

- ABTV
- EisnerAmper
- > 100 employees

Phase III

Business Solutions

- ▶ MOU between Department of Commerce & Company is signed
- ▶ Provide solutions and recommendations that lead to stabilizing the business



Phase IV Completion

- ▶ Survey the business
- ▶ What recommendations did the company implement?
- ▶ Has business improved?
- ▶ Corporate renewal



North Carolina
Business Edge
Process

Initial
Assessment

- Business Services Rep. & Referral Source
- Lexis Nexis Report

Business
Engagement

- Business Services Rep. & Layoff Aversion Specialist
- Confidentiality Agreements
- Determine the Solutions Provider

Business
Solutions

- Business Services Rep.
- Small Business Training & Development Center
- Certified Turnaround Professional
- NC State Industry Expansion Solutions
- Stabilize business

Completion

- Survey
- Corporate renewal

Successful Turnaround

Received referral from
Sandhills EDPNC Regional
Industry Manger



Manufacturing company in
rural Moore county



Company was having
difficulty finding skilled labor
& contemplated relocating
business to Raleigh



Business Edge Questions?

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